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ABSTRACT

This case study examined the unsuccessful efforts of the University of Maine's (UM) president, Frederick Hutchinson, to "downsize" that institution begun in 1993. It focuses on reasons for the failure of Hutchinson to persuade the faculty to accept his vision. The study used a combination of Michael Hammer and James Champy's list of strategies (taken from "Reengineering the Corporation") guaranteed to lead to failure and some suggestions made by management consultants familiar with downsizing to analyze why downsizing failed to gain support in the short term at UM. Though successful downsizing requires a clear idea of the end result, Hutchinson's plan for downsizing was based on an undefined notion of quality. Rather than reorganize work through simplification, Hutchinson's plan interpreted reorganization as making fewer people do more work. Though successful downsizing plans should not place prior constraints on the problem and solutions, Hutchinson acted in several ways to do just that. Though Hutchinson's messages to faculty stressed the importance of their involvement, his actions kept faculty involvement very limited. In addition, Hutchinson rescinded many downsizing proposals when they met resistance and allowed implementation, which Hammer and Champy say should start and finish within 12 months, to take over 3 years. The study concludes that the downsizing plan failed largely because Hutchinson did not have the authority to enact his plan and failed to gain faculty support. (Contains 19 references.) (JB)

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The Rhetoric of Downsizing at the University of Maine: A Case Study

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The Rhetoric of Donwsizing at the University of Maine: A Case Study

In the late 1980's yet another business trend hit American corporations, termed "downsizing." The idea behind downsizing was that America's corporations had become too big and as a result were becoming less competitive and less profitable. Companies were to search out tasks that were redundant and/or unnecessary and eliminate them and the people who did those tasks. Managers were also supposed to look for areas where people's jobs overlapped so they could combine the work into one job description and thus get by with fewer employees. Downsizing was hailed as the way to save America's businesses. Two of the leaders in this trend were Michael Hammer and James Champy, who, in 1993, published their book Reengineering the Corporation. This book was viewed as the bible of downsizing and provided readers with the specific techniques they should use to reengineer their corporations. In their introduction, Hammer and Champy claimed, "America's largest corporations--even the most promising among them--must embrace and apply the principles of reengineering, or they will be eclipsed by the greater success of those companies that do" (p. 2) Apparently American executives believed them, evidenced by the fact that downsizing is still being used as the way to save American corporations.

In 1995 though, people are beginning to look at downsizing with a critical eye. Although downsizing may have "saved" some corporations, others have become victims of the fervor to downsize at all costs. Critics of downsizing charge that companies tried to go through the motions of reengineering without understanding what they were doing or why (Mathews, 1993; Pearlstein, 1995). They also argue that Hammer and Champy "ignored reengineering's corrosive effect on human energy and emotions," a charge Champy agrees with (Mathews, 1995, p. 20).

This trend to downsize is so pervasive that university presidents are hailing downsizing as the way to save American universities. An important note though is that when Hammer and Champy wrote about how to downsize they envisioned a company where management made and enforced decisions and the workers did what they were told or they would receive a pink slip. Even though this violates the ideals of shared governance that universities were founded on, some of the presidents embracing downsizing are envisioning their universities as places where they can make and enforce decisions, and faculty should do what they are told or quit.

One recent example was the elimination of the physics major at James Madison University, a decision made by James Madison President Ronald Carrier without faculty input. According to Carrier, "College leadership must be able to move resources where the needs and demands of students and society are most pressing" (Magner, 1995, p. A15). This program was

deemed unnecessary to students and society and too expensive for the university because they "produced only four to seven graduates a year since 1990, yet its faculty size remained a constant 10" (Magner, 1995, p. A17). MIT and Harvard are also trying to reengineer themselves to become more competitive in the face of a changing American work place (Powers, 1995). The University of Maine is also an example of an institution struggling with the downside of downsizing.

Downsizing at the University of Maine jeopardized the university's standing as the premier public institution of higher education in the state of Maine, caused an exodus of faculty and demoralized many of the faculty who remain, as the result of a failed effort to apply a strategy ill-suited to the institution.

In 1992 Frederick Hutchinson accepted the job of president of the University of Maine. He followed Dale Lick who had managed to alienate the faculty, students and state legislature (Kloehn, 1993b). Hutchinson inherited a university facing financial problems. The university grew in the 1980's when the economy grew, but Maine was hard hit by the recession of the early 1990's. As the rest of the country recovered, Maine was still suffering. Due to the state's lack of funds and Lick's attitude, the University of Maine saw its share of state money shrinking each year. Hutchinson was seen as someone who could bring the University back from the brink. As faculty President Steve Reiling said, "I am personally glad Fred is here. Fred's style of leadership will

hold us together and get us through these tough times" (Kesseli, 1993a).

Another advantage for Hutchinson was that he was a Maine boy. Hutchinson was born in Maine, graduated from the University of Maine and was a professor and administrator at the institution for more than 20 years. This background gave him instant credibility with fellow Mainers whose support he would need to foster to get the institution back in the good graces of the legislature. It was also seen as positive by the faculty, most of whom were not native, who realized that having someone who could understand and relate to the Mainer psyche would be a benefit. The good feelings the faculty had toward Hutchinson lasted his first six months as President, began to change soon after his inaugural address.

In January 1993, Hutchinson introduced his plan to reengineer the University of Maine. In his inaugural address, Hutchinson said, "we must develop a plan to downsize this University" (Hutchinson, 1993a). Although he also said, "A long-term plan for downsizing will take time," only three months later he introduced the details of his downsizing proposal (Hutchinson, 1993b).

This paper is a case study of the downsizing efforts at the University of Maine. It focuses on the faculty, the primary public Hutchinson had to persuade to accept his vision. This paper uses a combination of Hammer and Champy's list of strategies guaranteed to lead to failure and some suggestions made by management consultants, who have seen

first hand the damage downsizing can do, as a framework for explaining why downsizing failed to gain support in the short term at the University of Maine.

Decide Your Direction

One of the strategies for successful downsizing is to decide what the end result should look like before deciding what to cut. As consultant Robert Tomasko notes, "It's pretty hard to prune something intelligently if you don't have any idea what the final shape will be" (Pearlstein, 1995). Much of the initial faculty resistance to Hutchinson's plan was based on what many called his lack of vision. In his downsizing proposal Hutchinson said, "This plan is based on a desire for quality" (Hutchinson, 1993b), yet he never defined quality. In reading his inaugural and downsizing plan it is clear that Hutchinson was equating size with quality; a smaller school will necessarily be a quality school. Since there were so many questions about what Hutchinson's vision was, he later presented a "vision statement." This statement came one year after he introduced his downsizing plan, yet offered no clearer picture of what he wanted the University to look like.

Reorganize the Work

One of Hammer and Champy's suggestions for reengineering the corporation is to look at ways to simplify work. They suggest managers look for areas where tasks were divided unnecessarily and resulted only in more, not necessarily better work. In some institutions, such as the university of

Maine, reorganizing the work was interpreted as making fewer people do more work. Hutchinson subtly introduced this idea in his inaugural and then stated it forcefully in his downsizing plan.

In his inaugural address Hutchinson told of an observation he made at one of his town meetings. He told of a faculty member who shared that "his own professional aspirations are not as high as they once were" (Hutchinson, 1993a). He related how this faculty member discovered that he was the key to raising the aspirations of his fellow faculty and students. Then Hutchinson presented a challenge to the university community "to expect high performance from ourselves, from this university. It will be a lot easier to achieve if we share that vision" (Hutchinson, 1993a).

One of the reasons Hutchinson gave for downsizing was that over a twenty year period the number of faculty and students had stayed the same while the number of programs had increased from 99 to 160 (Kesseli, 1993b). In other words, the faculty was already doing more with less. Since the student/faculty relationship had remained constant, it made sense to eliminate programs to decrease the burden on faculty. Hutchinson's plan did involve cutting programs, but it also involved cutting faculty. His downsizing plan called for the elimination of 46 faculty positions. Faculty senate president Steve Reiling noted, "a reduction in faculty members would temporarily increase the teaching load and such an increase also will make it difficult for the faculty to continue to

compete effectively for outside research and teaching grants" (Curran, 1993).

Hutchinson's downsizing plan also called for mergers between departments and colleges and contained the implicit assumption that these mergers would produce more "product" with fewer costs. He argued these mergers would promote interdisciplinary work, strengthen the quality of existing offerings, allow for curricula innovation, and foster a more collaborative and collegial approach to learning and teaching, research and service. . . and greater efficiency in faculty deployment to meet the specific mission of the new college" (Hutchinson, 1993b, pp. 7, 9). He also argued these changes would increase "quality." Apparently he assumed the faculty would accept these mergers, given his confidence they would be collaborative and collegial.

Hutchinson admitted that, "A student-centered approach will often require a change in orientation and increased responsibility for every member of the university community" (Hutchinson, 1994, p. 5) However, the faculty were expected to accept most of the burden of the increased responsibility. At the same time Hutchinson was asking faculty to be more student centered by working more closely with students, he stressed that the mission of the university included research and service and that these elements were also essential to the university (Hutchinson, 1994).

Prior Constraints on the Problem and Solution

Hammer and Champy argued that downsizing efforts would fail if people's hands were tied by an overly narrow definition of the problem and narrow scope of potential solutions to the problem. In other words, don't place prior constraints on the problem and solution. In a talk to the West Bay Rotary Club of Camden, Maine, Hutchinson told the group, "I see no alternative" to downsizing the university (Griffin, 1993). He repeated this in his inaugural address. When the downsizing plan came out he provided the definition and scope of the problem. Hutchinson invited the faculty to review his plan and make suggestions. However, Hutchinson told the faculty the dollar amount of the downsizing was set in stone, so any attempt to save any program had to be combined with a cut somewhere else. Hutchinson also gave the faculty only two weeks, which occurred around finals week, to respond to his proposal. Hutchinson claimed the time frame for suggesting alternatives "was out of his hands" (Kesseli, 1993c). One way suggested to save an academic program was for Hutchinson to eliminate one of his five vice presidents (Kesseli, 1993d). Although Hutchinson had previously promised he would listen and discuss ideas, he cut off discussion of this suggestion (Kloehan, 1993 9). Thus, the discussion of alternatives was narrow in scope and had to fit the confines of Hutchinson's preconceived definition of the problem and suggested solutions.

Faculty Lock Out

Hutchinson gave his talk to the rotary club announcing his plan to downsize two days before he announced it to the faculty in his inaugural address. According to Hutchinson, "The faculty will not like it" (Griffin, 1993). What the faculty did not like was being left out of the process.

From the outset, Hutchinson's messages to the faculty stressed the importance of their involvement, yet his actions told a different story. When he was at the University of Maine interviewing for the presidency in 1992, he said faculty would have to lead the way in determining any programs which would go (Kesseli, 1992). In his inaugural he promised campus-wide involvement in determining the direction the university would take. In his words, "A process of clarifying the size and mission of this institution must [his emphasis] include those who develop and deliver the product as well as those who benefit from it" (Hutchinson, 1993a). Although Hutchinson talked about full faculty involvement and said he wanted to hear its ideas, he had already locked the faculty out of the process of defining the problem when the downsizing plan was written by him and his five vice-presidents. In response to questions about why no faculty were involved in writing the downsizing document, Hutchinson responded, "I think this business of handing it off to a committee and letting them do it is just plain irresponsible" (Kloehn, 1993a). Faculty members were asked to participate after the plan was introduced. But Hutchinson made it clear he felt his

plan was the best. In the introduction to his downsizing plan he wrote, "This plan represents the changes that can and should be made to position the University for the future" (Hutchinson, 1993b). Thus, the clear message was that faculty involvement was very limited.

One major part of Hutchinson's plan that affected the faculty, yet did not seek their input was his decision to merge departments and colleges. Seven of Hutchinson's seventy proposed changes to the university involved merging departments. All of these decisions were made without the input or knowledge of the faculty. When a philosophy faculty member asked why he hadn't heard about the proposal to merge his department with the English department, Hutchinson responded, "You were not supposed to hear about it" (Curran, 1993). Hutchinson felt there would have been too much chaos if word of the mergers had leaked early. Apparently he just wanted to put off the chaos.

Hutchinson also stressed that since one of his goals was to make the university student-centered, "academics must take priority over everything else" (Kesseli, 1993a). Yet academic areas and faculty were the hardest hit in his plan.
In fact, two days before the presentation of the downsizing document, hockey coach Shawn Walsh received a 10% increase in his base pay. At this time the faculty was still without a current contract. According to Athletic Director Mike Ploszek, he and Hutchinson were in total agreement about the

raise, regardless of the economic climate affecting the rest of the university (Dowd, 1993). In Ploszek's words:

> It comes back to what this institution faces overall. You've got to make some decisions. You've got to prioritize. Here's a guy who built a national championship program. Here we are. We've reached the promised land. He deserves to be compensated for what he's done. That's reality. That's the market place. We can't lose sight of that in spite of the fact we're getting the crap kicked out of us with the economic situation (Dowd, 1993).

When questioned about Walsh's raise Hutchinson said he supported it and that it was customary for the university to make counter-offers when faculty or staff were offered other jobs. He noted that such cases were handled individually (Kesseli, 1993e). Faculty who left after the downsizing proposal was announced received no counter-offers from the University of Maine.

In addition to this, Hutchinson's planned cuts for the athletic department were later retracted. Hutchinson told everyone that if they wanted to save a program on the chopping block they had to provide another way to cut that money from the university budget. When the university's main baseball benefactor heard of proposed cuts to baseball scholarships, he complained publicly. Those cuts, amounting to $40,000, were retracted and athletics did not have to come up with another way to cut that money. Hutchinson said that Ploszek had

accidently cut more from his budget than he had to and that was why Ploszek did not have to cut the $40,000.

Pull Back When People Resist

Hammer and Champy urge would-be downsizers to avoid pulling back when met with resistance and dragging out the effort (Hammer and Champy, 1993). The University of Maine should have heeded these warnings. Many of Hutchinson's proposals were later rescinded. The decision to merge the College of Arts and Sciences with Social and Behavioral Sciences was abandoned; the schools then faced a combined budget reduction of $153,000. As previously mentioned, athletic cuts were reinstated when a benefactor complained. A proposal to cut the Peace Studies program was rescinded, as was the proposed merger of English and Philosophy. Communication Studies and Communicative Disorders were separated so that Communication Studies and Journalism could become one department, and Communicative Disorders was to be combined with Nursing. Communication Studies and Journalism did merge, but Communicative Disorders was made into its own new department, which negated any cost advantage of merging Communication Studies and Journalism. The School of Engineering Technology, which was slated for elimination, was reinstated when current and former students objected. The students and faculty sought help from the local media in presenting their case on television and managed to gain public support for their plight as well. The Career Center, which

was to be eliminated, was reinstated, and the Children's Center, which was to lose staff positions, had those positions reinstated. There were also concerns expressed that this plan would conflict with one of the stated goals in the vision statement. Hutchinson's vision said, "We must enhance the quality of the student body by broadening the University's overall diversity in the numbers of underrepresented groups among our students, faculty and staff" (Hutchinson, 1994, p. 11). Steven Barkin, associate professor of sociology and dept chair, pointed out that a disproportionate number of women could lose their jobs. He noted, "Women represent a small minority of the long-term faculty and staff populations and the formula is last hired, first fired" (Kesseli, 1993e). Mike Scott, a micro computer specialist, added that an enrollment cap at 11,000 and a reduction in football scholarships would reduce the numbers of minority students (Kesseli, 1993 2). In short, the plan was met with so much resistance that it became difficult to determine which of the original tenets of the plan remained.

Don't Drag the Effort Out

Other advice from Hammer and Champy was to complete the change within a twelve-month period. Hutchinson's original plan was to phase in the changes over a three-year period. Three years later, there are still many issues outstanding and no specific timeline for when the process might be completed.

The result is that the faculty and staff at the University have little or no idea what the future holds for them.

Conclusion

There are many reasons Hutchinson's downsizing efforts at the University of Maine failed to gain support. Primary is that he did not have the authority to enact his plan. The University of Maine has shared faculty governance. Hutchinson failed to cultivate the support of the faculty, and due to that his efforts were viewed as suspect. The contradictions between what he said and what he did added to the ill feelings. He continually told the faculty he wanted their complete involvement when what he was really asking for was their complete support of his plan. Faculty felt they were being railroaded and they closed quarters against Hutchinson.

There is also the cost to human emotions which may never be fully understood. As mentioned earlier, faculty have left due to the uncertainty and more are looking to leave. There are also feelings of resentment that may affect Hutchinson's future relationships with faculty. For example, members our the former departments, Speech Communication and Journalism and Mass Communication did merge, but now feel unappreciated. None of the other mergers went through and Communication Disorders became a department in its own right which nullified the benefits of the Communication and Journalism merger. This has resulted in feelings among the faculty in the new Department of Communication and Journalism that they have been denied any recognition for following through on Hutchinson's

plan. Hutchinson did at least acknowledge the human costs when he said, "As members of the university community, we all must provide our friends and colleagues affected by the changes with the moral support they need and deserve" (Kesseli, 1993b). But when faced with the uncertainty of downsizing, the words ring hollow.

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